



AOT in Action

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

A Message from Director Sherry Henry:

Good afternoon,

Wow, what a thrilling way to kick off this fun-filled week starting with a sold out game for the Pro Bowl at Glendale's University of Phoenix Stadium! A special thank you to Michael Bidwill who was instrumental in bringing this high-profile sporting event to Arizona for the first time ever. Fans traveled from around the world to be in the stands for this ultimate football experience.

Arizona will continue to shine as we host two highly anticipated sporting events in the Grand Canyon State this week. The highest attended golf tournament on the PGA Tour, the [Waste Management Phoenix Open](#), will tee off at the newly renovated TPC Scottsdale on Jan. 29. Record-breaking crowds are expected to attend.

The festivities are already underway for the biggest sporting event of the year, Super Bowl XLIX, on Feb. 1. Be sure to make your way to Downtown Phoenix to experience Verizon Super Bowl Central, a free, family-friendly event for football fans featuring the world's largest rock climbing wall designed to look like the Grand Canyon. Don't miss Arizona's Grand Tour by AOT where you can experience interactive activities and fun photo opportunities that are uniquely Arizona in our Airstream that traveled from New York to Chicago to Arizona for the big game. Check out [AZSuperBowl.com](#) for everything you need to know to make the most of your Super Bowl experience.

Thank you to The Arizona Super Bowl Host Committee, hospitality community, city leaders, event sponsors, and thousands of volunteers who have worked endless hours to make this historic event possible. We look forward to welcoming an estimated 100,000 visitors to Arizona and showcasing our magnificent state to approximately 160 million people watching the big game worldwide.

It's game time!

Sherry Henry
Director, Arizona Office of Tourism

AOT News

AOT Launches Innovative Travel Application

Thanks to the release of a new app, people seeking information on Arizona's travel industry can now access data quickly and easily on their smart phone or iPad. AOT is the first state travel agency in the United States to launch an app of this kind – one that provides quality, reliable mobile data on the impact of Arizona's tourism industry on the state's economy and its residents. [Read Full Press Release.](#)

Arizona Travel Impacts, the new mobile version of AOT's annually published "Arizona Travel Impacts" report, breaks down visitor spending, jobs, direct earnings, and tax receipts generated by the travel industry by state, region, county, and legislative district. The free app includes historical data dating back to 1998 and is available for download on iPhone, iPad and Android devices at tourism.az.gov/research-statistics/economic-impact via Apple's App Store and Google Play. The data is updated annually.

The Arizona Travel Impacts app data is valuable to AOT's constituents, including members of the media, legislators, tourism partners, destination marketing organizations, statewide economic representatives, businesses and community leaders, along with municipal and state officials. AOT created the app in partnership with Dean Runyan Associates, Inc., a market research firm based in Portland, Ore., that has assisted the organization with reliable travel research since 2004.

Free Arizona Indian Festival Debuts During Super Bowl Week

As part of the Arizona Super Bowl Host Committee's line-up of events, the Arizona American Indian Tourism Association (AAITA) will debut the Arizona Indian Festival at Scottsdale Civic Center Park Jan. 29-31 from 10 a.m. to 6 p.m. Attendees of all ages will explore the culture of the diverse American Indian tribes that are indigenous to Arizona through a unique showcase of authentic culture and resources. Tribes will present their traditional dwellings, arts, crafts and entertainment at this family-friendly event that is free and open to the public. Tribal Tourism Relations Manager Dawn Melvin is working with the AAITA to promote the event to residents and tourists. For more information, visit ArizonaIndianTourism.org.

Arizona Has Presence at Annual Travel Exchange Convention in New Orleans

Trade and Media Relations Manager Kristin Swanson attended [Travel Exchange](#) (TREX), a convention that combines the NTA Annual Convention and UMA Motor Coach Expo, in New Orleans Jan. 18-23, 2015. The annual event is the largest marketplace for North American packaged travel companies to meet with North American and international travel suppliers. More than 2,000 delegates attended this event. The Arizona delegation had over 40 participants who connected with top travel companies that were interested in enhancing their Arizona itineraries and creating exclusive experiences for their customers. For more information, please contact Kristin at kswanson@azot.gov or 602-364-3696.

Join AOT for Brazil Sales and Media Mission

AOT is pleased to invite Arizona DMOs and tourism suppliers to participate in a sales and media mission in Sao Paulo, Campinas and Rio de Janeiro, three of the most important cities for doing travel trade business in Brazil, March 15-20. The Arizona delegation will meet one-on-one with tour operators and media professionals, as well as host evening events for optimal networking and educational opportunities with the Brazilian travel trade. This is a great opportunity for participants to meet with an estimated 100 key travel agents, tour operators, media professionals and other related travel trade professionals in this important market. The registration fee is \$2,000 per delegate and does not include travel or shipping expenses. For more information, please contact Travel Industry Marketing Manager Jennifer Sutcliffe at jsutcliffe@azot.gov or 602-364-3693 or Media Relations Manager – International Kimberly Todd at ktodd@azot.gov or 602-364-3305.

Reach the Mexico Market During AOT's Mission to Mexico City and Cancun

Arizona tourism suppliers are invited to participate in a sales and media mission to Mexico with AOT March 2-6. This mission will target tour operators, travel agents, and media during appointments, destination trainings, and a luncheon seminar in Mexico City. In Cancun, trade delegates will provide destination trainings for agents at two of the largest online travel agencies in Mexico – Best Day and Price Travel. The registration fee is \$1,500 for trade delegates and \$750 for media delegates, which does not include travel and shipping expenses. The deadline for participation is Feb. 2. For more information, please contact Trade and Media Relations Manager Kristin Swanson at kswanson@azot.gov or 602-364-3696.

Upcoming Events & Activities

RTO Summit West

Date: February 25-26

Location: Marina del Ray, CA

Industry News

Airlines Add Dozens of Flights to Handle Super Bowl Crush

U.S. airlines are adding dozens of new flights – and even a few temporary routes – to capitalize on demand for flights to [Super Bowl XLIX](#) in suburban Phoenix.

American, Delta, United, Alaska Airlines, JetBlue and Southwest all have beefed up its Phoenix schedules around the big game on Sunday, Feb. 1. Not surprisingly, most of the extra flights come on routes connecting Phoenix to Seattle and Boston – the home markets of Super Bowl XLIX participants Seahawks and Patriots. Most extra flights have been scheduled for Friday, Jan. 30, and Monday, Feb. 2 – though flights have been added on other days around the Super Bowl, as well.

United alone says it's adding a 55 extra flights to Phoenix for the Super Bowl. Among those will be two new routes (Seattle-Phoenix and Boston-Phoenix) that United will fly temporarily around the game. Elsewhere, United says it's bolstering its existing Phoenix flight schedules by adding flights from its hubs in Chicago, Denver, Houston, Los Angeles, Newark and San Francisco. United also will switch to bigger aircraft – some as big as a Boeing 767 widebody – on some of its other regularly scheduled Phoenix flights.

Alaska Airlines, which operates its biggest hub at Seattle, has added two extra round trips to the half-dozen daily flights it already flies between Seattle and Phoenix. Alaska Airlines also is giving away 56 tickets that allow two fliers to attend a special "inflight tailgate party" to and from Phoenix for the game. Full details [are available on Alaska Airlines' Facebook page](#), but those interested should know that the sweepstakes are open only to Alaska Airlines Mileage Plan members living in Washington, Oregon and Alaska.

JetBlue, now one of the top carriers at Boston, is adding an extra round trip to the one-daily round-trip flight it already flies between Boston and Phoenix.

Delta will temporarily fly a special Super Bowl round trip on a route it doesn't normally fly nonstop. That route – Boston-Phoenix – will be available on dates immediately around the game. Delta also is adding an extra flight to and will fly bigger planes on its Seattle-Phoenix route, which it launched just last month. Delta will increase capacity on its L.A.-Phoenix route, as well. To help with its extra Super Bowl flights, Delta is pulling from its fleet of charter aircraft it uses to fly National Basketball Association teams. Those aircraft are configured only with first-class seats.

US Airways, now in the process of merging with American, is adding extra flights too. US Airways operates one of its biggest hubs at Phoenix, and will add two extra round-trip flights between Phoenix and both Boston and Seattle.

And Southwest, the No. 2 carrier at Phoenix, is adding extra Phoenix flights. Among those are nonstops to Boston and Manchester, N.H. – two cities Southwest currently does not serve nonstop from Phoenix.

Demand appears to be strong. Seats appear on the many of the newly added Super Bowl flights appear to be going fast. Alaska Airlines' website showed that all of its Seattle-to-Phoenix flights were sold out on Jan. 30 and for the return on Feb. 2. JetBlue's extra Phoenix-to-Boston flight on Feb. 2 showed just one seating remaining as of 5:25 p.m. ET on Monday. And it was going for \$719 one way.

Scroll down to see how big U.S. airlines are bolstering its schedules for the big game.

[Alaska Airlines](#)

Alaska Airlines will fly one additional round-trip flight between Seattle and Phoenix on both Jan. 30 and on Feb. 2. The carrier already flies between the cities at least five times a day.

[Delta](#)

Delta is adding extra flights on its just-launched Seattle-Phoenix route and will temporarily offer nonstop service to Phoenix from Boston. To help with some of the extra flights, Delta will pull

from the aircraft it normally uses in its charter service for National Basketball Association teams. Those aircraft are outfitted in an all-first-class configuration.

JetBlue

JetBlue normally offers one daily round-trip flight between Boston and Phoenix. The airline added a second Phoenix-bound flight on the route on Jan. 30 and a second Boston-bound flight on Feb. 2. JetBlue's flights will be on Airbus A320 aircraft.

"As New England's largest airline, we are excited to see our local team make a return trip to the big game. We're ready to get more fans to Phoenix to support their hometown team," Marty St George, JetBlue's senior vice president, commercial, says in a [statement](#).

Southwest

Southwest, which is the second-busiest carrier at Phoenix Sky Harbor, says it is adding additional nonstop flights to Phoenix from Seattle, Boston and Manchester, N.H., which is about 50 miles from Boston. Southwest says its extra flights will operate between Jan. 29 and Feb. 2, though it did not immediately specify how many additional flights are being added. Southwest normally offers three daily round-trip flights between Seattle and Phoenix. In its current schedule, the airline does not normally offer nonstop service to Phoenix from either Boston or Manchester.

"These extra flights give us more opportunities to connect our customers to sporting events that are important in their lives," Andy Allmann, Southwest Airlines' director of customer engagement, says in a [statement](#).

United

United says it's adding 55 extra flights to or from Phoenix for the Super Bowl. Most will be extra flights from the carrier's hubs, but United also is adding temporary nonstop service to Phoenix from both Boston and Seattle. And on already scheduled flights, United says it will "upgauge" to bigger planes – some as big as a Boeing 767 widebody.

US Airways/American

US Airways – in the process of merging with American – already was well-equipped to get fans to Phoenix, where the carrier operates a large hub. The carrier is nonetheless adding one extra round-trip flight from both Seattle and Boston. (*USA Today*, Jan. 20)

US Hotel Occupancy Up 1.9 Percent to 57.4 Percent Week Ending Jan. 17

The U.S. hotel industry recorded positive results in the three key performance measurements during the week of Jan. 11-17, 2015, according to data from Smith Travel Research, Inc. (STR).

In year-over-year measurements, the industry's occupancy rose 1.9 percent to 57.4 percent. Average daily rate increased 5.1 percent to finish the week at \$115.20. Revenue per available room for the week was up 7.2 percent to finish at \$66.14.

Five of the Top 25 Markets reported RevPAR increases of more than 15.0 percent: Dallas, Texas (+27.6 percent to \$88.50); San Francisco/San Mateo, California (+23.2 percent to \$257.38); Tampa/St Petersburg, Florida (+19.5 percent to \$88.70); Denver, Colorado (+19.2 percent to \$85.42); and Phoenix, Arizona (+15.3 percent to \$111.29).

Three markets recorded double-digit ADR increases: San Francisco/San Mateo (+22.5 percent to \$302.17); Dallas (+13.5 percent to \$113.92); and Detroit, Michigan (+12.2 percent to \$124.22).

New York, New York, reported the largest RevPAR decrease (-4.4 percent to \$152.08) as well as the only ADR decrease (-2.7 percent to \$202.28).

Dallas was the only market to report a double-digit occupancy increase, rising 12.4 percent to 77.7 percent during the week. Nashville, Tennessee, reported the largest occupancy decrease during the week (-4.4 percent to 58.5 percent). (*Hotel News Resource*, Jan. 22)

Starwood and NRG Team Up for Sustainability Project

Starwood Hotels & Resorts Worldwide, Inc. in partnership with NRG Energy, Inc., through its wholly-owned subsidiary NRG Renew, unveiled its first project to integrate clean sustainable energy at The Phoenician, a Luxury Collection resort. Featuring approximately 2,000 photovoltaic solar panels, the 568-kilowatt solar installation will offset a portion of The Phoenician resort's energy demand — an amount equivalent to the energy needs of approximately 90 homes.

Core to the project was the design-driven approach — from panel placements, which work with the terrain to create airflow, to the structure's accent colors that blend into the natural surroundings. In addition to its sustainability benefits, the panels also provide shading and outdoor event space, a coveted amenity during the hot desert summer months.

"At Starwood, sustainability is second nature, and our work with NRG Renew at The Phoenician exemplifies our commitment to that idea while also going the extra step to create a better world to experience," said Ken Siegel, chief administrative officer and general counsel for Starwood and head of Global Citizenship. "In this project, we've integrated solar panels into the existing landscape in a subtle way so The Phoenician continues to complement its environment, maintaining its iconic views of Camelback Mountain while reducing its carbon footprint and helping us achieve our sustainability goals. We've set aggressive goals to reduce our energy consumption and carbon emissions by 30 percent and our water consumption by 20 percent by 2020, and this is one step in achieving those goals without sacrificing luxury."

This project is the first of several between NRG and Starwood.

"Starwood and NRG are totally aligned in our intention to embed sustainability into every aspect of our core business operations, and we were very pleased to assist Starwood with an aesthetically sensitive, clean energy solution at an iconic property like The Phoenician," said David Crane, NRG CEO.

The partnership will also incorporate solar installations at The Westin St. John Resort in the U.S. Virgin Islands, and The Westin Maui Resort & Spa, Ka'anapali.

Together, all three installations are expected to provide more than 2 megawatts of solar power. Both island installations are especially significant in their respective locations, as they will provide clean, efficient power that helps protect the locations where the properties are located. (*Lodging*, Jan. 14)

Hotwire Survey Reveals Millennial Traveler Potential in 2015

Adults ages 18 to 34 may not be as well-thought-out as older generations when it comes to booking travel plans, but millennials will certainly be on the move in 2015.

According to Hotwire's 2014 American Travel Behavior Survey, conducted by Harris Poll in October 2014, millennial travelers intend to take large vacations, be more deal conscious and more spontaneous than older generations in 2015.

"Millennial travelers are impacting the travel industry in a big way, particularly given their overall excitement and interest in taking more trips," said Hotwire Group President Henrik Kjellberg in a statement.

The survey results show that one-third of the millennial respondents, more than any other age group, intend to travel more often in the New Year.

On top of that, 35 percent of millennials intend to take one or two large vacations in 2015, compared to just 23 percent of travelers ages 45 to 54.

Nearly one quarter of millennials (24 percent) plan to be more deal conscious when booking, compared to just 16 percent of those ages 65 and up.

Spontaneity also appears to be more prevalent among traveling millennials, with 19 percent of the generation intending to travel on a whim in 2015. Meanwhile, only 11 percent of travelers ages 45 to 54 and 10 percent of travelers age 65 and up intend to be more impulsive with their travel plans in the New Year.

Additional Hotwire research found that Las Vegas, Honolulu, London, Rome and Miami are the five most popular destinations for millennials in 2015, with Paris, New York and Los Angeles also cracking the top 10. (*TravelPulse, Dec. 30, 2014*)

Airbnb Tipped to Double in Size and Begin Gradual Impact on Hotels

Such a statement would be expected from Airbnb itself – but the prediction comes from one of the leading financial travel analysts in Europe.

In an investor note released last week, Barclays says it forecasts the sharing economy poster-child should double in size over the course of the next 12 months.

Supporting this is what European leisure analyst Vicki Stern estimates is an approximate 10 percent per year increase in supply in several key markets.

Stern also disagrees with the protestations from a number of hotel groups that impact of Airbnb on their sector is of limited concern.

In the short term, Barclays says, Airbnb is unlikely to have any significant influence on RevPAR growth on the existing players in the leisure hospitality sector.

Only around 10 percent of Airbnb bookings are estimated to come via business travelers.

Still, risks to hotel groups are likely to be felt only in key cities and in the economy/midscale range of properties.

Barclays singles out Accor as the most exposed hotel group to Airbnb (although the chain has higher leverage financially) with around 9 percent of its rooms under threat.

InterContinental Hotels Group is estimated to have exposure in the region of 5 percent of rooms, Barclays claims.

The note goes on to forecast a massive increase in the number of available rooms over the course of the next few years.

Stern says: "If this pace is true across the entire Airbnb group it would suggest that the 8 million room nights booked in 2012 could now stand closer to 37 million and this could rise to 129 million room nights booked within the next two years. Hence whatever our conclusions on the risks posed by Airbnb today, we should be aware that the threat may be twice as significant within the next year alone, should this pace of growth continue."

A figure in the region of 129 million would see Airbnb overtake IHG within three years, Stern says, although there must be a degree of caution over the forecast given that Airbnb listings are not always available every night in a calendar year.

Still, Airbnb's threat to the wider hotel industry could be twice as significant within one year due to its ongoing growth.

Stern explains: "Furthermore we estimate that the annual supply growth contribution in key cities is as much as 7-12 percent, suggesting that the traditional method of looking at supply growth may soon need to also include listings from these sites."

Yet it is not all good news for Airbnb, with Barclays highlighting the worry lines that continue to hang around the brand.

Stern says the company's "fast pace of growth" could decelerate in the coming years, with it being hindered by local regulatory issues (such as New York) and question marks around payment on regional or national tourist taxes ([despite recent efforts in Amsterdam](#)).

She says: "It is possible that increased regulations which limit the number of listings as well as requirements that make hosting more 'onerous' either through health and safety requirements or stricter tax requirements could well have an effect on the pace of growth for Airbnb in coming years, albeit the group is already being proactive around reacting to some of these issues and finding solutions." (*Thooz, Jan. 20*)

Calendar of Events

Visit www.visitarizona.com to find information on all the exciting [events, festivals and activities](#) held throughout the Grand Canyon State!

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